

TOWN OF FRIDAY HARBOR
San Juan County, Washington
January 1, 1995 Through December 31, 1995

Schedule Of Findings

1. The Town Should Comply With Statutory Bidding Requirements

We noted several exceptions with the Town of Friday Harbor's compliance with statutory bidding requirements.

During fiscal years 1994 and 1995, the town expended \$51,574 on the Sunken Park project without following statutory bidding requirements or its own purchasing policy. This was a joint project between the town and the San Juan Island Parks and Recreation District with a total anticipated cost of \$99,991. The project was funded with a 50 percent match of up to a maximum of \$49,991 from the Washington State Interagency Committee for Outdoor Recreation.

In addition, during fiscal year 1995, the town experienced three other exceptions with bidding requirements. In particular, the town:

- a. expended over \$26,000 in card lock fuel purchases with one vendor.
- b. expended over \$18,000 on delivered fuel purchases with one vendor.
- c. expended over \$23,000 for purchases of chemicals for the water treatment facilities with one vendor.

RCW 35.27.362 requires towns to comply with RCW 35.23.352(1), which states in part:

Any second class city or any town may construct any public works, as defined in RCW 39.04.010, by contract or day labor without calling for bids therefor whenever the estimated cost of the work or improvement, including cost of materials, supplies and equipment will not exceed the sum of thirty thousand dollars if more than one craft or trade is involved with the public works, or twenty thousand if a single craft or trade is involved A public works project means a complete project. The restrictions in this subsection do not permit the division of the project into units of work or classes of work to avoid the restriction on work that may be performed by day labor as a single project.

In addition, RCW 35.23.352(6), referring to purchases, goes on to state in part:

Any purchase of supplies, material, or equipment, except for public work or improvement, where the cost thereof exceeds seven thousand five hundred dollars shall be made upon call for bids.

By not complying with statutory requirements, the town cannot be assured that it obtained the best and most reasonable price for purchases of goods and services.

The town did not appear to understand statutory bidding requirements for public works project and was not aware of bidding requirements for other purchases.

We recommend the town call for bids on public works projects which exceed the statutory limits. We also recommend the town call for bids on all purchases of materials, supplies or equipment which are anticipated to exceed statutory limits.

2. The Town Should Enforce All Business License Provisions

During our review of business licenses, we noted numerous businesses which are up to three years delinquent in payment of their business license fees. The town has made little attempt to collect these delinquent fees and resulting penalties as required by the Friday Harbor Municipal Code (FHMC).

RCW 35.26.370 grants towns the power:

(9) To license, for purposes of regulation and revenue, all and every kind of business, authorized by law and transacted and carried on in such town . . . to fix the rate of license tax upon the same, and to provide for the collection of the same, by suit or otherwise . . .

In addition, towns are authorized:

(14) To impose fines, penalties and forfeitures for any and all violations of ordinances, and for any breach or violation of any ordinance, to fix the penalty by fine or imprisonment, or both . . .

FHMC 5.04.100 states in part:

B. Enforcement.

(1) The town administrator is designated as the enforcement officer and shall have the responsibility for enforcing the provisions of this chapter in accordance with the procedures set forth in Chapter 7.80 RCW, as amended from time to time.

(2) In the event the repeated violations of the same provisions of this chapter by the same person(s) . . . the violation shall constitute a public nuisance, and the town administrator may institute a civil proceeding to abate such nuisance.

C. Penalty.

Any person found to have committed a violation of this chapter shall be assessed a monetary penalty in the amount set forth in Chapter 7.80 RCW, as amended from time to time.

The town made little or no attempt to enforce the provisions of this municipal code as they considered it to be a low priority.

By not enforcing the provisions of the business license requirements, the town has not treated all business owners equitably. Further, the town has not received all revenues it is due and which could then be used for public purposes.

We recommend the town enforce all aspects of business license fees as required by the Friday Harbor Municipal Code.

3. The Town Should Enforce All Sewer Hookup Provisions

During our review of billings for sewer services, we noted several residences which had not been required to hook up to the town sewer system as required by the Friday Harbor Municipal Code (FHMC).

RCW 35.27.370 grants towns the right:

(5) To establish, construct and maintain drains and sewers, and shall have the power to compel all property owners on streets along which sewers are constructed to make proper connections therewith, and to use the same for proper purposes when such property is improved by the erection thereon of a building or buildings; and in case the owners of such improved property on such streets shall fail to make such connections with the time fixed by such council, they may cause such connections to be made, and to assess against the property in front of which such connections are made the costs and expenses thereof

FHMC 13.20.020 states in part:

A. The owner of any premises on which sewage is generated and which lies within 300 feet of the town's sanitary sewer shall connect to said sewer. Such connection shall be completed prior to said premises being used in any manner which shall generate sewage.

B. . . . Failure to make such connection within the 90 days shall be cause for the town to direct that water service to the premises be discontinued until such time as compliance has been confirmed by the town building inspector.

C. If the owner of the premises so notified shall fail and neglect or refuse to connect said premises to the sanitary sewer system within the specified time, the town may, further, order the connection made by the town or by subcontracting and, in either case, the costs thereof shall be charged to the owner

The town understood the requirements but believed it was not the council's intent to require all residences to be hooked up to the sewer system.

By not requiring all residences to hook up to the town sewer system the town has violated their own code and failed to treat all property owners equitably.

We recommend the town require all residences to be hooked to the sewer system as required by the Friday Harbor Municipal Code.